

HARGROVE, SMELLEY & STRICKLAND

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January 16, 2004

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Hosston Zone, Reservoir A, and Cotton Valley
Formation, Reservoir A, ELM GROVE FIELD,
Caddo Parish, Louisiana.

Dear Sir:

J-W OPERATING COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston Zone, Reservoir A, and to the Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo Parish, Louisiana:

1. To designate the J-W Operating Company--Smith et al. 14 No. 1 Well, located as shown on the attached plat, as the substitute unit well for HOSS RA SU90.
2. To find that designation and use of the J-W Operating Company--Smith et al. 14 No. 1 Well as the substitute unit well for HOSS RA SU90 is necessary to efficiently and economically drain a portion of the Hosston Zone, Reservoir A, underlying HOSS RA SU90 which cannot be efficiently and economically drained by any existing well on this unit.
3. To designate J-W Operating Company as operator of HOSS RA SU90.
4. To approve the downhole combination of production from that portion of the Hosston Zone, Reservoir A, underlying HOSS RA SU90 and lying below the true vertical depth of 7,600 feet, with production from the Cotton Valley Formation, Reservoir A, underlying CV RA SU89 in the wellbore of the proposed substitute unit well, and in the wellbore of any existing or future well located on HOSS RA SU90 and CV RA SU89 in which the ownership interests in these units are identical.
5. To discuss such other matters as may be pertinent to this application.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Webster and Bossier Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent Orders of the 361-A series of Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Webster and Bossier Parishes, Louisiana, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B series of Orders.

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Pertinent data concerning this application is available for inspection at the offices of Mr. Joe B. Adams, 9141 Interline Avenue, Suite 3A, Baton Rouge, Louisiana 70809. Any person wishing to inspect such data should call Mr. Adams at (225) 929-6097 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of the attached plat, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plat at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Elm Grove Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose a check payable to the Commissioner of Conservation for the application fee.

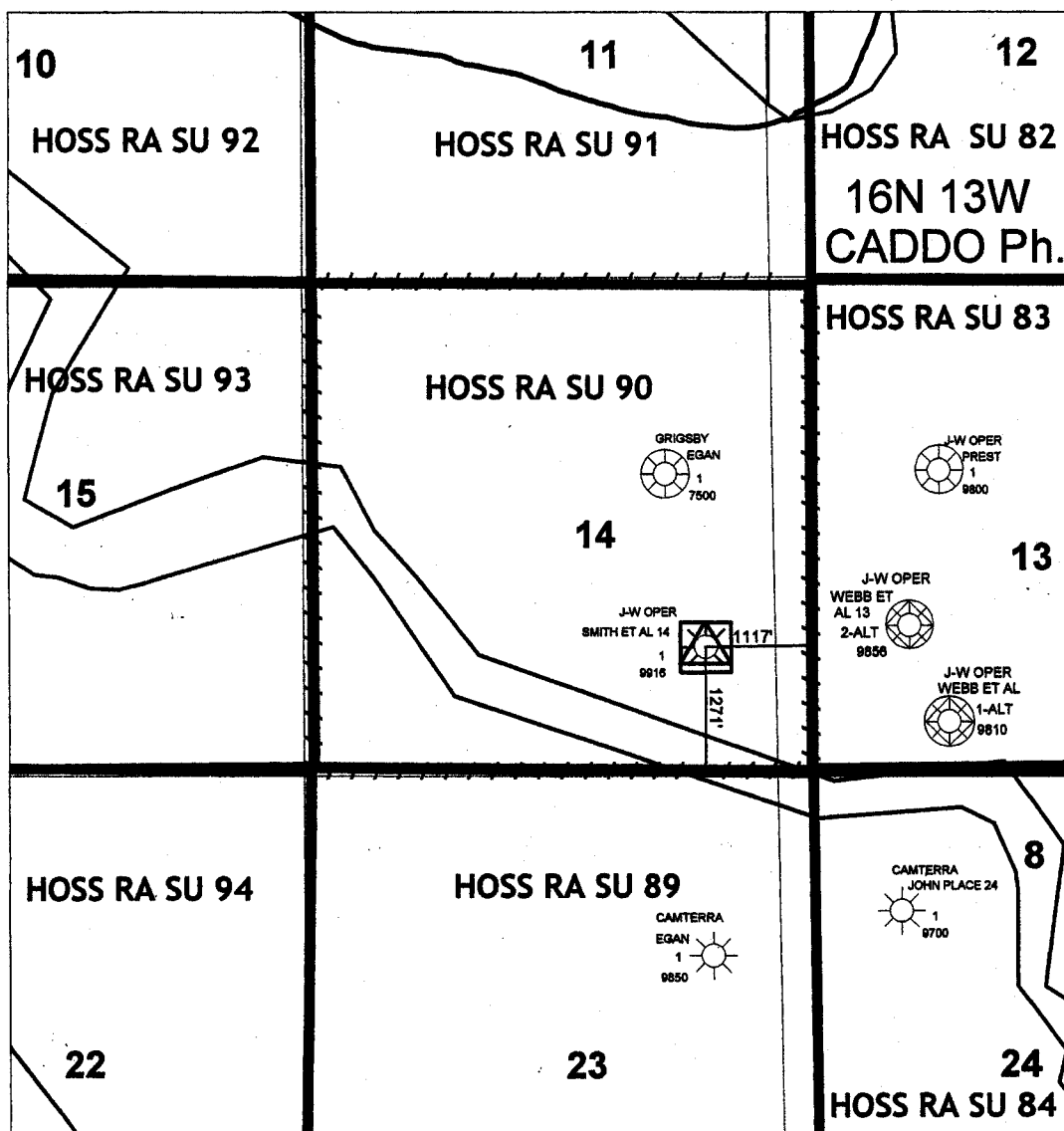
Yours very truly,


David L. Smelley

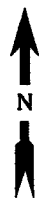
-- Attorney for J-W Operating Company

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Jerry Wooten (w/encls.)
Mr. Joe B. Adams (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plat only)



LEGEND	
	Existing Units 361-A series
	Proposed Substitute Unit Well
	Unit Well
	Approved Alternate Unit Well
Posted Wells > 6000'	



J-W OPERATING COMPANY		
Unit Plat - Hosston Zone Reservoir "A" Elm Grove Field Caddo Parish, La.		
DATE:	Witness: Joe Adams	Docket No.
Exhibit 1	Scale: 1" = 2000'	04- ??

